

**CHAPTER NO. 163**

**SENATE BILL NO. 1915**

**By Rochelle, Davis**

Substituted for: House Bill No. 1497

By Scroggs

AN ACT To amend Tennessee Code Annotated, Title 67, Chapter 5, relative to property taxation.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 67, Chapter 5 is amended by adding the following as a new part:

Section \_\_\_\_\_. (a) The local tax administrative officers, being the county trustee with respect to county personal property taxes and the comparable tax collecting officers in a municipality with respect to municipal property taxes, may request the delinquent tax attorney to seek court approval in order to waive the enforcement and collection of all, but not a portion of, personal property taxes, penalties and interest in cases in which the tax collecting officers determine, after reviewing the facts and circumstances, that:

(1) The business or enterprise which was subject to the tax levy had ceased all business operations;

(2) The personal property of an out-of-existence business or enterprise cannot be located after diligent search and inquiry; and

(3) Neither fraud nor an intention to avoid payment of the taxes on the part of the business or enterprise caused the circumstances giving rise to such waiver.

(b) Any waiver under this part shall be included and set forth as a credit in the monthly settlement and annual statement pursuant to §§ 67-5-1903 and 67-5-1904.

(c) With respect to personal property taxes, penalties and interest for which no delinquent tax lawsuit has been filed, but for which court approval has been sought and obtained for waiver as provided in subsection (a), the local tax administrative officers shall provide a report to the chief executive officer of the local government of the taxes, penalties and interest waived under this section. With respect to delinquent personal property taxes, for which the delinquent lawsuit has been filed, the court having jurisdiction of the delinquent tax lawsuit may, upon motion and a finding that the factors outlined in subdivisions (a)(1) - (3) exist, order the waiver of enforcement and collection of all, but not a portion of, such personal property taxes, penalties and interest, and attorney fees and costs.

Section \_\_\_\_\_. (a) All or any portion of penalty and interest and attorney fees which are due on real property taxes may be waived by order of the court having jurisdiction of the delinquent tax lawsuit upon a motion and a finding that the following factors exist:

(1) The property has been determined to be environmentally hazardous pursuant to federal or state environmental protection or hazardous materials laws by those officials, agencies or courts with the responsibility for enforcing the environmental protection or hazardous materials laws;

(2) The county legislative body has determined that no bid should be made on behalf of the governmental entity to which taxes are owed pursuant to § 67-5-2506;

(3) The waiver is made in conjunction with the remediation and cleanup of the property; and

(4) The circumstances giving rise to the waiver did not result from fraud or an intention to avoid payment.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.

**PASSED: May 3, 1999**

  
JOHN S. WILDER  
SPEAKER OF THE SENATE

  
JIMMY NAIFEH, SPEAKER  
HOUSE OF REPRESENTATIVES

**APPROVED this 14th day of May 1999**

  
DON SUNDQUIST, GOVERNOR